



# OLR RESEARCH REPORT

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## OLR BACKGROUNDER: SELECTED DEMOGRAPHIC AND WORKFORCE TRENDS

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This report describes selected demographic and workforce trends in Connecticut and nationally.

### DEMOGRAPHIC TRENDS

Connecticut and the rest of the New England states have had several decades of slow population growth. In both the 1990s and 2000s, the population of every New England state grew more slowly than the national average, as shown in Table 1. Between 1980 and 2010, each New England state except New Hampshire lost ground in the state-by-state population rankings.

Table 1: Population Growth in the U.S. and New England, 1980-2010

Area	Population Rank Among States				Percent Change		
	1980	1990	2000	2010	1980-1990	1990-2000	2000-2010
U.S.	N/A	N/A	N/A	N/A	9.8%	13.1%	9.7%
Connecticut	25	27	29	29	5.8	3.6	4.9
Maine	38	38	40	41	9.2	3.8	4.2
Massachusetts	11	13	13	14	4.9	5.5	3.1
New Hampshire	42	40	41	42	20.5	11.4	6.5
Rhode Island	40	43	43	43	5.9	4.5	0.4
Vermont	48	48	49	49	10.0	8.2	2.8

Source: U.S. Census Bureau

The population in New England is also older than the national population. According to the 2010 Census, the median age in every New England state is greater than the national median age of 37.2 years (see Table 2). Of the seven states with a median age of 40 or older, four of them are in New England. (Connecticut's median age is 40.) Additionally, the percentage of the population in both the 45-64 and 65 and older categories in every New England state is higher than the national average.

**Table 2: Age Distribution in the U.S. and New England, 2010**

Area	Percentage of Population				Median Age
	Younger than 18	18-44	45-64	65 and Older	
U.S.	24.0%	36.5%	26.4%	13.0%	37.2
Connecticut	22.9	34.5	28.5	14.2	40.0
Maine	20.7	32.5	30.9	15.9	42.7
Massachusetts	21.7	36.8	27.7	13.8	39.1
New Hampshire	21.8	33.9	30.7	13.5	41.1
Rhode Island	21.3	36.5	27.8	14.4	39.4
Vermont	20.7	34.0	30.8	14.6	41.5

Source: U.S. Census Bureau

### ***Connecticut Projections***

In 2000, people 65 and older comprised 13.8% of Connecticut's population. By 2025, the Connecticut State Data Center projects that that proportion will increase to 20.9% (see Table 3). On the other hand, the share of the state's population that is younger than 15 is projected to decrease, from 20.8% in 2000 to 15.6% in 2025.

**Table 3: Connecticut Population Projections, Age Groups as a Share of the Total Population**

Year	Younger than 15		15-24		25-64		65 and older		85 and older		Total
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	
2000 actual	709,075	20.8%	404,198	11.9%	1,822,109	53.5%	470,183	13.8%	64,273	1.9%	3,405,565
2010 actual	664,942	18.6	478,732	13.4	1,923,864	53.8	506,559	14.2	84,898	2.4	3,574,097
2015	642,246	17.6	505,057	13.9	1,914,998	52.5	582,245	16.0	94,561	2.6	3,644,546
2020	595,389	16.1	511,178	13.8	1,924,890	52.0	671,015	18.1	94,905	2.6	3,702,472
2025	584,903	15.6	481,631	12.9	1,896,802	50.6	782,848	20.9	96,394	2.8	3,746,184

Source: U.S. Census Bureau, Connecticut State Data Center (November 1, 2012 edition)

As Table 1 above showed, Connecticut's population has grown more slowly than the U.S. population in the past three decades. The state's slow population growth is expected to continue for the foreseeable future (see Table 4). Between 2010 and 2025, the state data center projects that the state's population will increase by 4.8% (3.57 million to 3.74 million). This projected increase, over a 15-year period, is smaller than the actual increase (4.9%) over the most recent 10-year period (2000-2010).

But while Connecticut's overall population is forecast to grow slowly, growth among its 65 and older population is expected to accelerate. Between 2010 and 2025, the state data center projects that Connecticut's 65 and older population will increase by 54.5% (506,559 to 782,848), including an expected increase of nearly 15% between 2010 and 2015. Meanwhile, the under-15 population is expected to see a 12% decrease over the 2010-2025 period, from 664,942 in 2010 to 584,903 in 2025.

Table 4 shows the actual or projected rate of growth or decline for different age groups in Connecticut and for the state as a whole. The percent changes are measured from the previous year in the table (e.g., a 5% change in 2015 means a 5% increase from 2010).

**Table 4: Connecticut Population Projections, Percent Changes by Age Group**

Year	Younger than 15		15-24		25-64		65 and older		85 and older		Total	
	Number	Percent Change	Number	Percent Change	Number	Percent Change	Number	Percent Change	Number	Percent Change	Number	Percent Change
2000 actual	709,075	N/A	404,198	N/A	1,822,109	N/A	470,183	N/A	64,273	N/A	3,405,565	N/A
2010 actual	664,942	-6.2%	478,732	18.4%	1,923,864	5.6%	506,559	7.7%	84,898	32.1%	3,574,097	4.9%
2015	642,246	-3.4	505,057	5.5	1,914,998	-0.5	582,245	14.9	94,561	11.4	3,644,546	2.0
2020	595,389	-7.3	511,178	1.2	1,924,890	0.5	671,015	15.2	94,905	0.4	3,702,472	1.6
2025	584,903	-1.8	481,631	-5.8	1,896,802	-1.5	782,848	16.7	96,394	1.6	3,746,184	1.2
Total 2010-2025	-80,039	-12.0	2,899	0.6	-27,062	-1.4	276,289	54.5	11,496	13.5	172,087	4.8

Source: U.S. Census Bureau, Connecticut State Data Center (November 1, 2012 edition)

## **WORKFORCE TRENDS**

### ***Labor Force Participation***

According to the Bureau of Labor Statistics (BLS), the U.S. labor force is projected to grow by 6.8% between 2010 and 2020, compared with 7.9% growth between 2000 and 2010.

One reason for this slower rate of growth is that a lower percentage of the population is projected to participate in the labor force. The labor force participation rate measures the labor force as a percentage of the civilian noninstitutional population. BLS projects that this rate will decrease to 62.5% by 2020, a 2.2 percentage point decline from 2010. The decline is a continuation of the trend from 2000-2010, when the rate decreased by 2.4 percentage points.

Table 5 shows labor force participation rates by age group for 1990, 2000, and 2010 and projected rates for 2020. BLS projects that the labor force participation rate will decrease in the next 10 years for people younger than 55, with particularly sharp decreases among 16-24 year olds. This decrease outweighs the projected rate increase among people 55 and older. The 62-64 year old age group is projected to have the sharpest increase in the next 10 years, from 49.8% in 2010 to 58.5% in 2020.

**Table 5: U.S. Labor Force Participation Rates by Age Group, 1990-2020**

<i>Age Group</i>	<i>1990</i>	<i>2000</i>	<i>2010</i>	<i>2020 (projected)</i>
<b>Total, 16 years and Older</b>	<b>66.5%</b>	<b>67.1%</b>	<b>64.7%</b>	<b>62.5%</b>
<b>16-24</b>	<b>67.3</b>	<b>65.4</b>	<b>55.2</b>	<b>48.2</b>
16-19	53.7	52.0	34.9	26.5
20-24	77.8	77.8	71.4	65.9
<b>25-54</b>	<b>83.5</b>	<b>84.0</b>	<b>82.2</b>	<b>81.3</b>
<b>55-64</b>	<b>55.9</b>	<b>59.3</b>	<b>64.9</b>	<b>68.8</b>
55-59	67.0	68.9	73.3	76.3
60-64	44.8	47.2	55.2	60.9
60-61	55.1	57.1	62.5	64.2
62-64	38.0	40.2	49.8	58.5
<b>65 and older</b>	<b>11.8</b>	<b>12.9</b>	<b>17.4</b>	<b>22.6</b>
65-74	16.7	19.2	25.7	31.0
65-69	21.0	24.5	31.5	37.8
70-74	11.3	13.5	18.0	22.8
75 and older	4.3	5.3	7.4	10.0

Source: Bureau of Labor Statistics

## Industry and Occupational Trends

Tables 6 and 7 show the percentage of the workforce that is in a particular occupation or industry, respectively. They show data for Connecticut and the U.S. in both 2000 and 2010. In both Connecticut and the U.S., educational, health, and social services saw its share of the workforce increase the most, while manufacturing saw its share decline the most.

**Table 6: Percentage of Workforce by Occupation, 2000 and 2010, Connecticut and U.S.**

Occupation	Connecticut		U.S.	
	2000	2010	2000	2010
Management, business, science, and arts occupations	39.1%	40.0%	33.6%	35.3%
Service occupations	14.3	16.8	14.9	17.1
Sales and office occupations	26.5	25.0	26.7	25.4
Natural resources, construction, and maintenance occupations	8.2	8.0	10.1	9.8
Production, transportation, and material moving occupations	12.0	10.2	14.6	12.4

Source: 2000 Census, 2006-2010 American Community Survey 5-Year Estimates

**Table 7: Percentage of Workforce by Industry, 2000 and 2010, Connecticut and U.S.**

Industry	Connecticut		U.S.	
	2000	2010	2000	2010
Agriculture, forestry, fishing and hunting, and mining	0.4%	0.4%	1.9%	1.9%
Construction	6.0	6.4	6.8	7.1
Manufacturing	14.8	11.8	14.1	11.0
Wholesale trade	3.2	2.7	3.6	3.1
Retail trade	11.2	11.1	11.7	11.5
Transportation and warehousing, and utilities	3.9	3.8	5.2	5.1
Information	3.3	2.6	3.1	2.4
Finance, insurance, real estate, and rental and leasing	9.8	9.5	6.9	7.0
Professional, scientific, management, administrative, and waste management services	10.1	10.7	9.3	10.4
Educational, health, and social services	22.0	24.9	19.9	22.1
Arts, entertainment, recreation, accommodation, and food services	6.7	8.0	7.9	8.9
Other services (except public administration)	4.5	4.5	4.9	4.9
Public administration	4.0	3.8	4.8	4.8

Source: 2000 Census, 2006-2010 American Community Survey 5-Year Estimates

Table 8 shows Connecticut's nonfarm payroll data for 2009-2011. In terms of number of jobs, education and health services saw the most growth, while government saw the most losses.

**Table 8: Employees on Nonfarm Payrolls in Connecticut, 2009-2011**

<i>Industry</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>
<b>Mining and logging</b>	600	600	600
<b>Construction</b>	54,600	50,000	51,200
<b>Manufacturing</b>	171,200	165,600	166,400
<b>Trade, transportation, and utilities</b>	293,300	289,800	293,700
<b>Information</b>	34,300	31,700	31,500
<b>Financial activities</b>	137,600	135,200	134,900
<b>Professional and business services</b>	189,400	189,900	195,000
<b>Education and health services</b>	302,400	306,900	314,600
<b>Leisure and hospitality</b>	133,700	133,600	136,500
<b>Other services</b>	61,300	60,500	60,500
<b>Government</b>	248,200	244,200	238,800
<b>Total</b>	<b>1,626,600</b>	<b>1,608,000</b>	<b>1,623,500</b>

Source: Bureau of Labor Statistics

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